

1 Amend 2 Cal. Code Regs. Section 18401 to read:

2 **§ 18401. Required Recordkeeping for Chapter 4.**

3 (a) Maintenance of Documents

4 A candidate, treasurer, and elected officer has a duty to maintain detailed accounts,  
5 records, bills, and receipts as necessary to prepare campaign statements and comply with  
6 the provisions of Chapter 4 (commencing with Section 84100) of the Act. This duty  
7 includes maintenance of detailed information and original source documentation, as  
8 follows:

9 (1) For a contribution received or other receipt of less than \$25, or an expenditure  
10 made of less than \$25:

11 (A) The accounts and records shall contain a continuous computation of campaign  
12 account balances, and include a listing reflecting the dates and daily totals of the  
13 contributions, other receipts, or expenditures on the dates of the contributions, other  
14 receipts, or expenditures.

15 (B) The original source documentation shall consist of all bank statements, check  
16 registers, check stubs, bank or passbooks, and any other records reflecting a continuous  
17 computation of campaign account balances in any savings or checking account, money  
18 market account, certificate of deposit, credit card account, or any other campaign  
19 account, in any bank or other financial institution.

20 (2) For a contribution received of \$25 or more, but less than \$100, and for other  
21 receipts of \$25 or more:

22 (A) The accounts and records shall contain all information required in subdivision  
23 (a)(1)(A), and include the date of each contribution or other receipt, the amount, and the

1 full name and street address of the contributor or the source of the other receipt. In the  
2 case of a contribution, the accounts and records shall also contain the cumulative amount  
3 received from the contributor and specify whether the contribution is monetary or  
4 nonmonetary. In the case of a nonmonetary contribution, the fair market value shall also  
5 be recorded, along with a description of the goods or services received. If a contribution  
6 is received through an intermediary or agent, as defined in Regulation 18432.5, the  
7 accounts and records shall also contain the full name and street address, occupation, and  
8 employer (or, if self-employed, the name of the principal place of business) of the  
9 intermediary or agent and of the true source of the contribution.

10 (B) The original source documentation shall consist of all items required in  
11 subdivision (a)(1)(B), and copies of contributor checks, cashier's checks, money orders,  
12 wire transfers, deposit or duplicate deposit slips, and any other documents, reflecting all  
13 items deposited, and all deposits made, to any campaign account, in any bank or other  
14 financial institution. Original source documentation shall also include contributor cards,  
15 letters of transmittal, and notices received from contributors. In the case of a  
16 nonmonetary contribution, if the contributor has not provided the value of the  
17 nonmonetary contribution, the original source documentation shall also include a  
18 memorandum or other record describing the method used to determine the value of the  
19 goods or services contributed. In the case of contributions made through wire transfer,  
20 credit card transaction, debit account transaction, or similar electronic payment option  
21 (including those made via the Internet), the original source documentation shall also  
22 include all credit card receipts, transaction slips or other writings signed by the  
23 contributor, credit card vouchers, and other documentation of credit card transactions,

1 including credit card confirmation numbers and itemized transaction reports, as well as  
2 any other information collected when debiting the contributor's account. In the case of  
3 contributions made through electronic transactions via the Internet, original source  
4 documentation shall also include a record of the transaction created and transmitted by  
5 the cardholder including the name of the cardholder, the cardholder's address and the card  
6 number.

7 (3) For a contribution received of \$100 or more:

8 (A) The accounts and records shall contain all information required in  
9 subdivisions (a)(1)(A) and (a)(2)(A), and include the occupation and employer (or, if  
10 self-employed, the name of the principal place of business) of the contributor. Section  
11 85700 requires the return, not later than 60 days from receipt, of a contribution of \$100 or  
12 more for which the candidate or committee does not have on file the name, address,  
13 occupation and employer of the contributor. Regulation 18570 sets forth additional  
14 recordkeeping requirements concerning occupation and employer information.

15 (B) The original source documentation shall consist of all items required in  
16 subdivisions (a)(1)(B) and (a)(2)(B), and all communications caused to be sent by the  
17 candidate, treasurer, elected officer, or committee to secure this information.

18 (4) For an expenditure of \$25 or more, or a series of payments for a single product  
19 or service totaling \$25 or more:

20 (A) The accounts and records shall contain the date the expenditure was made (or,  
21 for an accrued expense, the date the goods or services were received), the amount of the  
22 expenditure, the full name and street address of the payee, and a description of the goods  
23 or services for which each expenditure was made. If the person or vendor providing the

1 goods or services is different from the payee, the accounts and records shall also contain  
2 the same detailed information for that person or vendor. For an expenditure that is a  
3 contribution to another candidate or committee, or an independent expenditure, the  
4 records shall also contain the cumulative amount of the contributions to, or independent  
5 expenditures to support or oppose, each candidate, committee, or ballot measure.

6 (B) The original source documentation shall consist of cancelled checks, wire  
7 transfers, credit card charge slips, bills, receipts, invoices, statements, vouchers, and any  
8 other documents reflecting obligations incurred by the candidate, elected officer,  
9 campaign treasurer, or committee, and disbursements made from any checking or savings  
10 account, or any other campaign accounts, in any bank or other financial institution. In  
11 lieu of cancelled checks, the original source documentation may consist of copies of  
12 cancelled checks that contain a legible image of the front and back of the cancelled  
13 check, provided the copy was obtained from the financial institution.

14 (5) For an itemized expenditure under Section 84211(k) or Section 84303 by a  
15 committee controlled by a candidate for a gift, a meal, or travel, the original source  
16 documentation in addition to the requirements of subdivisions (a)(4)(A) and (a)(4)(B)  
17 shall include a dated memorandum, or other dated written record, containing the  
18 information required to be reported under Regulation 18421.7 and the names of all  
19 individuals for whom an expenditure for a meal or travel was paid.

20 (6) For an expenditure of \$100 or more made by a general purpose ballot measure  
21 committee controlled by a candidate for elective state office, the original source  
22 documentation in addition to the requirements of subdivisions (a)(4)(A) and (a)(4)(B)  
23 shall include a dated memorandum, or other dated written record, as follows:

1        (A) Identifying each measure that has been assigned a ballot designation for  
2        which the expenditure is made to support or oppose by its assigned designation.

3        (B) Briefly describing the nature or purpose of each potential measure that has not  
4        yet been assigned a ballot designation for which the expenditure is made to support or  
5        oppose.

6        (C) Specifying the amount of the expenditure that is attributed to the support or  
7        opposition of each measure or potential measure if the expenditure is made to support or  
8        oppose more than one measure or potential measure and requires additional disclosure  
9        under Regulation 18421.8(b).

10       (7) ~~(6)~~ For a loan made or received:

11       (A) The accounts and records shall contain the detailed information set forth in  
12       subdivisions (a)(1)(A), (a)(2)(A), and (a)(3)(A), and include the interest rate and due  
13       date, if any, of the loan, and the full name and street address of any guarantor, or any  
14       person liable directly, indirectly, or contingently for the loan.

15       (B) The original source documentation shall consist of all promissory notes,  
16       extensions of credit, security agreements, loan guarantees, and any other documents  
17       reflecting the indebtedness.

18       (8) ~~(7)~~ For receipt of an enforceable promise to make a payment, as defined in  
19       Regulation 18216:

20       (A) The accounts and records shall contain the detailed information required for a  
21       contribution set forth in subdivisions (a)(1)(A), (a)(2)(A), and (a)(3)(A).

22       (B) The original source documentation shall consist of written contracts and any  
23       other documents reflecting the enforceable promise to pay.

1           ~~(9)~~ (8) For each mass mailing, as defined in Section 82041.5, sent or delivered  
2 pursuant to Regulation 18435:

3           (A) The accounts and records shall contain the date of the mailing, the number of  
4 pieces mailed, and the method of postage.

5           (B) The original source documentation shall consist of an original sample of each  
6 mass mailing caused to be sent by the candidate, treasurer, elected officer, or committee.

7           ~~(10)~~ (9) For all written notices sent to all contributors of \$5,000 or more, pursuant  
8 to Section 84105 and Regulation 18427.1:

9           (A) The accounts and records shall contain the date of each notice and the name  
10 and address of the person to whom each notice is sent.

11           (B) The original source documentation shall consist of a copy of each notice sent.

12           (b) Retention of Documents

13           (1) A filer, as defined in Section 82026, has a duty to retain the accounts, records,  
14 bills and receipts, and other original source documentation required to be maintained  
15 pursuant to subdivision (a).

16           (2) A filer shall maintain the accounts, records, bills and receipts, and original  
17 source documentation for a period of four years following the date the campaign  
18 statement to which they relate is filed. However, in the case of an elected state officer  
19 serving a four-year term, the records for campaign statements filed during the first year  
20 following his or her election must be kept for five years following the date the campaign  
21 statement to which they relate is filed.

22           Comment: In addition to other recordkeeping requirements in the Act or applicable  
23 regulations, candidates and committees shall keep the records required in Regulation

1 18428 regarding contributions from affiliated entities. Additional recordkeeping  
2 requirements for candidates for the Legislature and statewide elective office are found in  
3 Regulation 18536 concerning the transfer and attribution of contributions, and Regulation  
4 18540 concerning the allocation of expenditures to the primary, general, special or runoff  
5 election for purposes of the voluntary expenditure limits.  
6 Note: Authority cited: Section 83112, Government Code. Reference: Sections 84104,  
7 84100-84400 and 85700, Government Code.